



General Assembly

January Session, 2011

Raised Bill No. 6232

LCO No. 2320

02320_____INS

Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

***AN ACT PERMITTING SUSPENSION OF PRIVATE PASSENGER
MOTOR VEHICLE INSURANCE COVERAGE BY ELECTRONIC MAIL.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-371 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2011*):

3 (a) (1) The owner of a private passenger motor vehicle required to
4 be registered in this state shall provide and continuously maintain
5 throughout the registration period security in accordance with sections
6 38a-334 to 38a-343, inclusive. (2) The owner of a private passenger
7 motor vehicle not required to be registered in this state shall maintain
8 security in accordance with this section, in effect continuously
9 throughout the period of its operation, maintenance or use as a motor
10 vehicle within this state with respect to accidents occurring in this
11 state.

12 (b) The security required by this section, may be provided by a
13 policy of insurance complying with this section issued by or on behalf
14 of an insurer licensed to transact business in this state or, if the vehicle
15 is registered in another state, by a policy of insurance issued by or on

16 behalf of an insurer licensed to transact business in either this state or
17 the state in which the vehicle is registered.

18 (c) Subject to approval of the Insurance Commissioner the security
19 required by this section, may be provided by self-insurance by filing
20 with the commissioner in satisfactory form: (1) A continuing
21 undertaking by the owner or other appropriate person to perform all
22 obligations imposed by this section; (2) evidence that appropriate
23 provision exists for the prompt and efficient administration of all
24 claims, benefits, and obligations provided by this section; and (3)
25 evidence that reliable financial arrangements, deposits or
26 commitments exist providing assurance for payment of all obligations
27 imposed by this section substantially equivalent to those afforded by a
28 policy of insurance that would comply with this section. A person who
29 provides security under this subsection is a self-insurer. A
30 municipality may provide the security required under this section by
31 filing with the commissioner a notice that it is a self-insurer.

32 (d) Except as provided in subsection (b) of section 14-213b, the
33 owner of any private passenger motor vehicle required to be registered
34 in this state who operates it or permits it to be operated in this state is
35 guilty of a class C misdemeanor if he fails to provide the security
36 required by this section.

37 (e) An owner of a private passenger motor vehicle with respect to
38 which security is required who fails to have such security in effect at
39 the time of an accident shall have all of the rights and obligations of an
40 insurer under sections 38a-363 to 38a-388, inclusive, and shall remain
41 subject to all the obligations of the Financial Responsibility Law,
42 sections 14-112 to 14-133, inclusive.

43 (f) (1) Upon receipt of a signed written request or a request by
44 electronic mail for suspension from the owner of a registered private
45 passenger motor vehicle stating that such vehicle will not be operated
46 upon any highway during a period of not less than thirty consecutive
47 days, the insurer of such vehicle shall suspend, to the extent requested

48 by the owner, insurance coverage afforded under the policy providing
 49 the security required by sections 38a-363 to 38a-388, inclusive, for such
 50 vehicle until notified by the owner that the coverage should be
 51 reinstated. Each insurer that issues, renews, amends or endorses
 52 automobile liability insurance in this state covering a private passenger
 53 motor vehicle shall implement a secure method by which such
 54 electronic request for suspension shall be submitted to such insurer
 55 and shall notify each insured under a private passenger motor vehicle
 56 liability insurance policy of such method. (2) During the period of
 57 suspension only, the provisions of subsections (a) to (e), inclusive, of
 58 this section shall not apply with respect to such vehicle, provided, if
 59 such vehicle is operated upon any highway by or with the permission
 60 of the owner during the period of suspension, the provisions of said
 61 subsections (a) to (e), inclusive, of this section, shall thereupon become
 62 applicable. As used in this subsection, "highway" shall be defined as in
 63 section 14-1. This subsection shall not apply to a motor vehicle for
 64 which proof of financial responsibility is required under the provisions
 65 of sections 14-112 to 14-133, inclusive.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2011	38a-371

Statement of Purpose:

To allow owners of private passenger motor vehicles to submit a request for suspension of their automobile liability insurance policies by electronic mail.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]